

# The City of West University Place

*A Neighborhood City*

## **CITY COUNCIL**

Susan Sample, Mayor  
Bob Kelly, Mayor Pro Tem  
Burt Ballanfant, Councilmember  
Brennan Reilly, Councilmember  
Mardi Turner, Councilmember

## **STAFF**

M. Chris Peifer, City Manager  
Alan Petrov, City Attorney  
Thelma Gilliam, City Secretary

## **CITY COUNCIL SPECIAL MEETING MINUTES**

The City Council of the City of West University Place, Texas, met in special session on **Monday, October 3, 2016**, in the Municipal Building, 3800 University, West University Place, Texas beginning at **6:30 p.m.**

Agenda Items were as follows:

**Call to Order.** Mayor Sample called the meeting to order at approximately 6:35 p.m. in the Council Chambers. Council and Staff in attendance were: Mayor Pro Tem Kelly, Councilmembers Ballanfant, Reilly and Turner, City Manager Peifer, City Secretary Gilliam, City Attorney Petrov, Public Works Director Beach, Finance Director Daugherty, and Police Chief Walker.

City Secretary Gilliam confirmed that the notice of this meeting was duly posted in accordance with the Texas Government Code, Chapter 551.

### **1. Public First Public Hearing on Tax Rate**

Matters related to the first of two public hearings to hear comments on the proposed tax rate.  
*Recommended Action: Hold first public hearing on the proposed tax rate.*

Mayor Sample opened the hearing at 6:35 p.m.

Finance Director Daugherty reviewed a slide presentation with Council and, in summary, stated:

- Even though the tax rate will be lowered, the current State Tax Code requires the City to hold two public hearings since the increase in the overall appraised values will cause more tax revenue to be generated than in the previous year.
- Staff received the appraisal roll from Harris County on August 22, 2016 and presented it to Council on September 12, 2016.
- The estimated taxable assessed value for tax year 2016 is \$5,887,431,883. Of that value \$70,000,000 is new property, \$93,000,000 is uncertified taxable (currently under protest), and \$42,000,000 is estimated taxable value of property that is not included yet on the certified tax roll.
- For tax year 2016, the average taxable residence homestead has a value of \$1,083,056 compared to tax year 2015 when the value was \$1,003,607.
- This budget has a proposed tax rate of 0.31680, the effective tax rate is 0.31119 and last year's rate was 0.33179.

- There is a value increase of \$79,449 on average.
- The tax increase over 2015 taxes at the proposed rate is \$101.25, at the effective rate it's \$40.49 on an average taxable value residence homestead.
- The difference between the proposed and the effective tax rate calculations on an average homestead is \$60.76.
- The proposed tax rate for the 2017 budget year is a reduction of \$0.015 as compared to the 2015 tax rate.
- A tax rate of \$0.31680, the proposed tax rate, is considered a 1.8% tax increase.
- Adopting the proposed tax rate will raise \$538,445 more revenue than last year's budget, which is a 2.97% increase from the prior year budget.
- Revenue raised from new property added to the tax roll this year is \$227,085.
- A tax rate of \$0.31119, the effective tax rate, is considered a 0% tax increase.
- Adopting an effective tax rate will raise \$208,160 more revenue than last year's budget, which is a 1.15% increase from the prior year budget.
- Revenue raised from new property added to the tax roll this year is \$223,064.
- Proposed general fund budget cuts in the amount of \$330,285 will be required if the effective tax rate is adopted:
  - \$40,000 – eliminates increase to legal fees.
  - \$90,285 – reduces the transfer to the equipment replacement fund. Items removed will be appropriated in the general fund in the year of required replacement.
  - \$200,000 – removes the PD camera surveillance at two intersections
- A tax rate of \$0.31400, the midpoint of the proposed tax rate and the effective tax rate, is considered a 0.90% tax increase.
- Adopting a 0.31400 tax rate will raise \$373,597 more revenue than last year's budget, which is a 2.06% increase from the prior year budget.
- Revenue raised from new property added to the tax roll this year is \$225,078.
- Proposed general fund budget cuts in the amount of \$164,848 will be required if the midpoint of the proposed & effective tax rate is adopted
  - \$40,000 – eliminates increase in legal fees.
  - \$128,848 – reduces the transfer to the equipment replacement fund. Items removed will be appropriated in the general fund in the year of replacement.
- The final tax rate will be set by ordinance on Monday, October 17, 2016 p.m. at 3800 University Boulevard.

After the presentation, public comments were taken.

**Chuck Guffey**, 2809 Sunset, spoke to say that he thinks the best way to get the tax rate down is to take into account the huge increases in appraisals. He said based on the average house, anyone living in West U this last year paying taxes should not pay any more taxes the next year than they did the previous year. Mr. Guffey said the way to get the tax rate down is to lower the budget, so he thinks a common financial audit of the new budget needs to be done. He said each department needs to submit a list of its projects, people or expenses that can be reduced effectively by 15 percent and then Council can review the lists and decide which items would be the best to cut.

**Alida Drewes**, 6112 Fordham, spoke to say that she agrees with everything Mr. Guffey said and that Council should listen to him because he has some really good ideas that would support the

taxpayers of this community. She said as far as finding money in the budget, there are plenty places to find it, such as in credit card fees, overtime, travel, and "other" benefits. .

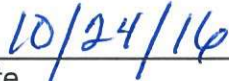
## 2. Adjourn

Mayor Pro Tem Kelly moved to adjourn the special meeting at 6:48 p.m. Councilmember Turner seconded the motion. **MOTION PASSED.**

**Ayes:** Sample, Kelly, Ballanfant, Reilly, Turner  
**Noes:** None  
**Absent:** None



  
Thelma A. Gilliam City Secretary

  
Date